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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

November 27, 2002

AQB Comments  
The Appraisal Foundation  
1029 Vermont Avenue, NW  
Suite 900  
Washington, DC 20005-3517

Dear AQB:

Thank you for the opportunity to comment on the Appraiser Qualifications Board's ("AQB") October 11, 2002 Third Exposure Draft on revising the *Real Property Appraiser Qualification Criteria*. Please note that these comments are ASC staff comments. Although the ASC members have discussed some of the issues discussed in your February 25<sup>th</sup> exposure draft, and commented on some of the items in its February 5 and September 6, 2001 comment letters, the comments expressed in this letter are those of the staff.

As expressed in our April 22<sup>nd</sup> and August 2<sup>nd</sup> letters, we support the changes proposed in the Exposure Draft, *i.e.*, increasing the qualifying education hours for the Licensed, Certified Residential, and Certified General classifications to 140, 200, and 315 hours, respectively; adding a required core curriculum for each classification level; requiring a four-year bachelors degree, or specified education, to become Certified General; requiring a two-year associates degree, or specified education, to become Certified Residential; and allowing Certified appraisers to gain four hours of continuing education for supervising and managing Trainee appraisers.

We have the following comments regarding changes introduced in this third exposure draft:

- Item II. F. 8. (page 9 of 28) – It appears that this provision has been added to Qualifying Education, but not to Continuing Education. Was that the intent?
- Item II. F. 8. (page 9 of 28) – The word “contain” could create difficulty from an enforcement concept. We suggest replacing the word “contain” with “be designed to foster,” or similar wording. Additionally, we are not sure that USPAP education itself can “contain” interaction as presented in this provision.
- Item III. (page 11 of 28) – We understand that the wording of the first sentence was modified to clarify that the 24-month examination warehousing provision does not apply to currently credentialed appraisers seeking credentials by reciprocity in other jurisdictions. We do not believe, however, that the revised wording clearly makes this distinction. We suggest retaining the original sentence from the previous exposure draft and adding the following sentence, or similar wording. “This provision does not apply to a currently licensed or

certified appraiser applying for either a temporary practice permit or a reciprocal credential in another jurisdiction.”

- Item “3” (page 14 of 28) – This item appears to be numbered incorrectly. It seems that it should be “C” following items V.A. and V.B. from the previous page.
- Item “3” (page 14 of 28) – Deletion of the wording “that resulted in a finding of wrongdoing or a violation of USPAP within the last 2 years” could create unintended problems. Without this wording, the definitive language in this provision is “not subject to any probation, suspension, or disciplinary proceeding within the last two years.” The term “disciplinary proceeding” is subject to considerable interpretation. For example, a complaint investigation and hearing that results in a “not guilty” determination would be considered a disciplinary proceeding in many jurisdictions. Is it your intention to prevent an appraiser who is under investigation from serving as a supervising appraiser for trainees?
- Item “3” (page 14 of 28) – You need to delete the comma between the words “any probation.”

Thank you again for the opportunity to comment. Please contact us if you have any questions.

Sincerely,

Ben Henson  
Executive Director